
SUBSTITUTE HOUSE BILL 2684

State of Washington

59th Legislature

2006 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Fromhold, Bailey, Conway, Lovick, Green, Sells, Kenney, Quall, Simpson, Moeller and Morrell; by request of Select Committee on Pension Policy)

READ FIRST TIME 02/08/06.

1 AN ACT Relating to vesting after five years of service in the
2 defined benefit portion of the public employees' retirement system, the
3 school employees' retirement system, and the teachers' retirement
4 system plan 3; and amending RCW 41.32.875, 41.35.680, and 41.40.820.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 41.32.875 and 2000 c 247 s 903 are each amended to
7 read as follows:

8 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five
9 and who has:

10 (a) Completed ten service credit years; or

11 (b) Completed five service credit years, including twelve service
12 credit months after attaining age (~~fifty-four~~) forty-four; or

13 (c) Completed five service credit years by July 1, 1996, under plan
14 2 and who transferred to plan 3 under RCW 41.32.817;
15 shall be eligible to retire and to receive a retirement allowance
16 computed according to the provisions of RCW 41.32.840.

17 (2) EARLY RETIREMENT. Any member who has attained at least age
18 fifty-five and has completed at least ten years of service shall be
19 eligible to retire and to receive a retirement allowance computed

1 according to the provisions of RCW 41.32.840, except that a member
2 retiring pursuant to this subsection shall have the retirement
3 allowance actuarially reduced to reflect the difference in the number
4 of years between age at retirement and the attainment of age sixty-
5 five.

6 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at
7 least thirty service credit years and has attained age fifty-five shall
8 be eligible to retire and to receive a retirement allowance computed
9 according to the provisions of RCW 41.32.840, except that a member
10 retiring pursuant to this subsection shall have the retirement
11 allowance reduced by three percent per year to reflect the difference
12 in the number of years between age at retirement and the attainment of
13 age sixty-five.

14 **Sec. 2.** RCW 41.35.680 and 2000 c 247 s 906 are each amended to
15 read as follows:

16 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five
17 and who has:

- 18 (a) Completed ten service credit years; or
- 19 (b) Completed five service credit years, including twelve service
20 credit months after attaining age (~~(fifty-four)~~) forty-four; or
- 21 (c) Completed five service credit years by September 1, 2000, under
22 the public employees' retirement system plan 2 and who transferred to
23 plan 3 under RCW 41.35.510;

24 shall be eligible to retire and to receive a retirement allowance
25 computed according to the provisions of RCW 41.35.620.

26 (2) EARLY RETIREMENT. Any member who has attained at least age
27 fifty-five and has completed at least ten years of service shall be
28 eligible to retire and to receive a retirement allowance computed
29 according to the provisions of RCW 41.35.620, except that a member
30 retiring pursuant to this subsection shall have the retirement
31 allowance actuarially reduced to reflect the difference in the number
32 of years between age at retirement and the attainment of age sixty-
33 five.

34 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at
35 least thirty service credit years and has attained age fifty-five shall
36 be eligible to retire and to receive a retirement allowance computed
37 according to the provisions of RCW 41.35.620, except that a member

1 retiring pursuant to this subsection shall have the retirement
2 allowance reduced by three percent per year to reflect the difference
3 in the number of years between age at retirement and the attainment of
4 age sixty-five.

5 **Sec. 3.** RCW 41.40.820 and 2000 c 247 s 309 are each amended to
6 read as follows:

7 (1) NORMAL RETIREMENT. Any member who is at least age sixty-five
8 and who has:

9 (a) Completed ten service credit years; or

10 (b) Completed five service credit years, including twelve service
11 credit months after attaining age (~~(fifty-four)~~) forty-four; or

12 (c) Completed five service credit years by the transfer payment
13 date specified in RCW 41.40.795, under the public employees' retirement
14 system plan 2 and who transferred to plan 3 under RCW 41.40.795;
15 shall be eligible to retire and to receive a retirement allowance
16 computed according to the provisions of RCW 41.40.790.

17 (2) EARLY RETIREMENT. Any member who has attained at least age
18 fifty-five and has completed at least ten years of service shall be
19 eligible to retire and to receive a retirement allowance computed
20 according to the provisions of RCW 41.40.790, except that a member
21 retiring pursuant to this subsection shall have the retirement
22 allowance actuarially reduced to reflect the difference in the number
23 of years between age at retirement and the attainment of age sixty-
24 five.

25 (3) ALTERNATE EARLY RETIREMENT. Any member who has completed at
26 least thirty service credit years and has attained age fifty-five shall
27 be eligible to retire and to receive a retirement allowance computed
28 according to the provisions of RCW 41.40.790, except that a member
29 retiring pursuant to this subsection shall have the retirement
30 allowance reduced by three percent per year to reflect the difference
31 in the number of years between age at retirement and the attainment of
32 age sixty-five.

--- END ---